REPORT

DATE:

April 6, 2006

TO:

Administration Committee

Regional Council

FROM:

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SUBJECT:

Proposed agreement between Southern California Edison and SCAG to implement the San

Gabriel Valley Energy Efficiency Program.

EXECUTIVE DIRECTOR'S APPROVAL:

RECOMMENDED ACTION (Administration Committee and Regional Council):

Authorize the Executive Director to enter into an Agreement between Southern California Edison and SCAG subject to final negotiation of the contract.

SUMMARY:

SCAG was approached by Southern California Edison (SCE) to participate in an energy efficiency partnership in the San Gabriel Valley called the San Gabriel Valley Energy Efficiency Partnership (SGVEEP). The SGVEEP is a proposed energy efficiency partnership between SCE and SCAG, and nine cities in the San Gabriel Valley. The targeted nine Cities include: Covina, West Covina, Industry, Glendora, La Verne, San Dimas, Diamond Bar, Walnut, and Pomona. Additional Cities can become involved in the program based on the availability of funds.

BACKGROUND:

The Energy and Environment Committee (EEC) has directed SCAG staff to become more involved in energy issues. This partnership would facilitate a greater participation in energy issues and help cities reduce energy costs, while promoting efficiency.

In December 2005, the EEC approved continued discussions between SCAG and SCE. SCAG staff, including the past CFO and legal counsel, has worked with SCE to enter into a pilot partnership that would implement the San Gabriel Valley Energy Efficiency Program (SGVEEP) through 2008. The overall program strategy is for SCE to partner with SCAG to form the SGVEEP to provide energy information and to identify and implement sustainable energy efficiency activities. SGVEEP will leverage the strengths of each of the partners to cost effectively deliver energy and demand savings.

The following discussion summarizes the key points of the Partnership Agreement:

- The primary purpose of SGVEEP is to allow City facilities to lower operating costs and achieve permanent load reduction by improving energy efficiency in new and existing facilities
- The Program would consist of several components centered on energy efficiency and energy education
- Participation in the program is voluntary
- The nine Cities identified by SCE will be given priority to participate in the program
- Additional Cities can become involved in the program based on the availability of funds
- Staff will report progress to the EEC

REPORT

- SCAG will provide input for the selection of consultants
- SCAG will be reimbursed for their time at fully burdened rates

FISCAL IMPACT:

SCAG staff time would be reimbursed, through the partnership program, by Southern California Edison at fully burdened rates.

Docs #119829v2

